

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

1700 K STREET
SACRAMENTO, CA 95814-4037
TDD (916) 445-1942
(916) 322-7012

**ADP BULLETIN**

Title State Fiscal Year 2005-06 Budget Act Allocation, 2.0		Issue Date: August 26, 2005 Expiration Date:	Issue No. 05-12
Deputy Director Approval <i>(Original signed by Michael Cunningham)</i> MICHAEL S. CUNNINGHAM Program Services Division	Function: (Check one.) <input type="checkbox"/> Information Management <input type="checkbox"/> Quality Assurance <input type="checkbox"/> Service Delivery <input checked="" type="checkbox"/> Fiscal <input type="checkbox"/> Administration	Supersedes Bulletin/ADP Letter No. ADP Bulletin 05-02	

PURPOSE

This bulletin transmits funding information for Alcohol and Other Drug (AOD) services for State Fiscal Year (SFY) 2005-06. This bulletin includes six exhibits: (1) Funding and Program Overview, (2) Allocation Methodologies, (3) Individual County Allocation Notices, (4) Statewide Allocation Summary, (5) Substance Abuse Prevention and Treatment (SAPT) Block Grant Fund Exchange Information (Year Two of the Pilot Program), and (6) Funding Periods Chart.

DISCUSSION

The Federal Fiscal Year (FFY) 2005 SAPT award was reduced by \$510,614. The Department of Alcohol and Drug Programs (ADP) determined that for FFY 2005 (SFY 2004-05), there are sufficient State support dollars to absorb this reduction rather than passing the reduction to the counties. This Budget Act Allocation reflects that ADP will continue to absorb this reduction for FFY 2006 (SFY 2005-06) on a one-time basis. The ability of ADP to continue to absorb any future reduction will be reevaluated each SFY.

The SAPT Block Grant requires that ADP expend a minimum and a maximum of five percent of the total SAPT award on HIV early intervention services. Due to the FFY 2005 SAPT Block Grant reduction, ADP must reduce the FFY 2005 HIV Set-Aside. The amount of this reduction (\$25,531) will be offset by an increase in SAPT Discretionary funding on a dollar-for-dollar basis. The Budget Act Allocation reflects the same reduction and corresponding increase for FFY 2006.



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<http://www.flexyourpower.ca.gov>

SFY 2005-06 is the second year of a three-year pilot allocation policy for SAPT Block Grant funds. ADP will continue to exchange SAPT categorical funds (HIV Set-Aside, Perinatal Set-Aside, and Adolescent and Youth Treatment) from Minimum Base Allocation counties (populations less than 40,000) with equal amounts of SAPT Discretionary funds from the remaining counties (populations of 40,000 or greater). This pilot project is intended to provide small counties with the flexibility to best meet the needs of their clients.

A balance of \$6,000 for Friday Night Live (FNL) programs and \$9,000 for Club Live (CL) programs is available for counties that currently do not receive FNL or CL funds. Requests for these funds must be submitted with the V.1 Budget Amendments. These amendments are required within 60 days of the release of the SFY 2005-06 Budget Act Allocation.

HIGHLIGHTS OF THE SFY 2005-06 BUDGET ACT ALLOCATION

- State General Fund (SGF)

A total of \$92.1 million in SGF is available. Of this amount, \$62.8 million is for Drug Medi-Cal (DMC) services. ADP has budget authority to allocate up to \$60.3 million for Regular DMC and \$2.5 million for Perinatal DMC services.

- SAPT HIV Set-Aside

The Budget Act Allocation includes an on-going reduction of \$25,531 in FFY 2006 SAPT HIV Set-Aside. This reduction was allocated using the HIV allocation methodology.

- SAPT Discretionary

The Budget Act Allocation includes an increase in FFY 2006 SAPT Discretionary funds of \$25,531. These funds will offset the HIV funds reduction on a dollar-for-dollar basis, and will negate the fiscal impact on the counties.

- SAPT Prevention Set-Aside

The County Alcohol and Drug Program Administrator's Association of California approved continuation of a one-time \$500,000 reduction to FFY 2006 SAPT Prevention Set-Aside funds for Technical Assistance for Prevention Outcomes and Measurements contracts (TA-POM).

REFERENCES

- Senate Bill 77, the Budget Act (Chapter 38, Statutes of 2005)

BACKGROUND

Not applicable.

QUESTIONS/MAINTENANCE

Questions concerning the bulletin and any of the exhibits should be directed to Ms. Barbara Norton, Analyst, Program and Fiscal Policy Branch, at (916) 323-2019. Additional copies of this document and the exhibits may be requested through ADP's Resource Center by calling (800) 879-2772 and through ADP's website at www.adp.ca.gov.

EXHIBITS

1. Funding and Program Overview
2. Allocation Methodologies
3. Individual County Allocation Notice (counties only)
4. Statewide Allocation Summary
5. SAPT Block Grant Fund Exchange Information
6. Funding Periods Chart

DISTRIBUTION

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Director's Advisory Council
Strategic Local Government Services, LLC